## Small Business Briefing on COVID-19 Response







# What Does the CARES Act Mean for My Small Business?



## Central Valley Coronavirus Information Center

For the latest on resources for small business, farmers, families

IN ENGLISH: Cox.House.gov/Coronavirus

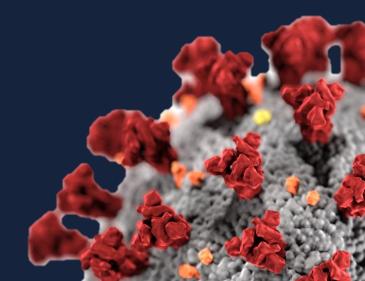
EN ESPAÑOL: Cox.House.gov/Coronavirus-es



## The CARES ACT

## Coronavirus Aid, Relief, and Economic Security Act







THE CARES ACT WILL PROVIDE

\$10 BILLION

IN IMMEDIATE DISASTER
GRANTS FOR SMALL BUSINESSES



#### THE CARES ACT AND SMALL BUSINESS



\$349 BILLION IN LOANS FOR PAYROLL



LOANS ARE 100% FORGIVABLE IF FIRM RETAINS ALL EMPLOYEES



\$10 BILLION IN IMMEDIATE DISASTER GRANTS



\$265 MILLION IN FUNDING FOR TRAINING AND COUNSELING



\$17 BILLION IN DEBT RELIEF TO SBA BORROWERS



\$675 MILLION TO SBA TO STAFF AND ADMINISTER NEW PROGRAM



THE CARES ACT WILL PROVIDE

\$349 BILLION

IN FORGIVABLE LOANS FOR SMALL BUSINESS PAYROLLS





## Struggling to get started? The following questions might help point you in the right direction. Do you need:

- Capital to cover the cost of retaining employees? Then the Paycheck Protection Program might be right for you.
- A quick infusion of a smaller amount of cash to cover you right now? You might want to look into an Emergency Economic Injury Grant.
- To ease your fears about keeping up with payments on your current or potential SBA loan? The Small Business Debt Relief Program could help.
- Just some quality, free counseling to help you navigate this uncertain economic time? The resource partners might be your best bet.

**LINK TO ALL THIS INFORMATION RIGHT HERE!** 



#### Relief For Farmers And Ranchers

**Dedicated disaster fund to help** farmers who are experiencing financial losses from the coronavirus crisis, including targeted support for fruit and vegetable growers, dairy and livestock farmers, and local food producers, who have been shorted from receiving emergency assistance in the past.



To fund the Farm Bill's farm safety net through the Commodity Credit Corporation.



### Relief For Farmers And Ranchers



- Eligibility for farmers and agricultural and rural businesses to receive up to \$10 million in small business interruption loans from eligible lenders, including Farm Credit institutions, through the Small Business Administration. Repayment forgiveness will be provided for funds used for payroll, rent or mortgage, and utility bills.
- \$3 million to increase capacity at the USDA Farm Service Agency to meet increased demand from farmers affected by the coronavirus crisis.



## Assistance for Small Towns and Rural Communities

- \$1 billion available in guaranteed loans to help rural businesses weather the economic downturn.
- \$100 billion to hospitals, health care providers, and facilities, including those in rural areas.
- \$25 million for telemedicine tools to help rural patients access medical care no matter where they live.
- \$100 million for high speed internet expansion in small towns and rural communities.
- Over \$70 million to help the U.S. Forest Service serve rural communities and reduce the spread of coronavirus through personal protective equipment for first responders and cleaning of facilities.



### **Food Access for Families**

- \$15.8 billion to fund food assistance changes made in the Families First Coronavirus Response Act. Republicans and the Trump Administration blocked additional funding to expand benefits for children, families, and seniors.
- \$9 billion to fund child nutrition improvements made in the Families First Coronavirus Response Act.
- \$450 million to provide food banks with additional resources for food and distribution.
- \$100 million for food distribution in Tribal communities to provide facility improvements, equipment upgrades, and food purchases.







- Many workers in America currently have no paid leave and are being forced to choose between their paycheck, their health, and the health of the people around them
- The Families First Coronavirus Response Act established an emergency paid family leave program and an emergency sick leave program
- The Families First Coronavirus Response Act provides that covered employers must provide to all employees

These provisions will apply from April 1, 2020 through December 31, 2020.



The Families First Coronavirus Response Act (FFCRA or Act) requires certain employers to provide their employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19



- Two weeks (up to 80 hours) of **paid sick leave** at the employee's regular rate of pay: the employee is unable to work because the employee is quarantined
- Two weeks (up to 80 hours) of **paid sick leave** at two-thirds the employee's regular rate of pay because the employee is unable to work because they must care for an individual subject to quarantine
- Up to an additional 10 weeks of paid expanded family and medical leave at two-thirds the employee's regular rate of pay where an employee is unable to work due to a need for leave to care for a child whose school or child care provider is closed or unavailable for reasons related to COVID-19
  - A covered employer must provide to employees that it has employed for at least 30 days
  - businesses with fewer than 50 employees may qualify for exemption from the requirement to provide leave due to school closings or child care unavailability if the leave requirements would jeopardize the viability of the business



### **Tax Credits**



- Emergency Paid Sick Leave Credit:
  - An employee is entitled to paid sick leave for up to two weeks at their **regular rate of pay** up to \$511 per day and \$5,110 in the aggregate.
  - An employee is entitled to paid sick leave for up to two weeks at **2/3 their regular rate of pay** up to \$200 per day and \$2,000 in the aggregate.
- Emergency Paid Family Leave Credit:
  - An employee is entitled to paid family and medical leave equal to two-thirds of the employee's regular pay, up to \$200 per day and \$10,000 in the aggregate.



## Changes To Unemployment Compensation Insurance

- \$2.2 trillion package included various provisions increasing and expanding unemployment insurance benefits available to workers, including individuals who are:
  - Unemployed
  - partially unemployed
  - unable to work due to COVID-19





## Changes To Unemployment Compensation Insurance (Cont.)



The CARES Act expands unemployment insurance to cover more workers including self-employed and independent contractors, like gig workers and Uber drivers, who do not usually qualify for unemployment.



The bill provides \$250 billion in funding for expansion of unemployment benefits.



Provides an additional \$600 per week payment to each recipient of unemployment insurance or Pandemic Unemployment Assistance for up to four months.



### RESOURCES

Central Valley Coronavirus Information Center

<a href="https://cox.house.gov/coronavirus">https://cox.house.gov/coronavirus</a> <a href="https://cox.house.gov/coronavirus-es">https://cox.house.gov/coronavirus</a>

**Small Business Administration Resources**:

https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources

Paycheck Protection Program
Frequently Asked Questions:
https://home.treasury.gov/system/file
s/136/Paycheck-Protection-ProgramFrequenty-Asked-Questions.pdf



## RESOURCES (Cont.)

Small Business Disaster Loan Assistance:

https://disasterloan.sba.gov/ela/

Paid Sick Leave Info for Employers:

https://www.dol.gov/agencies/whd/pandemic/ffcra-employer-paid-leave

https://www.irs.gov/newsroom/covid-19-related-tax-credits-for-requiredpaid-leave-provided-by-small-andmidsize-businesses-faqs

Unemployment Info for Employees:

https://www.edd.ca.gov/about\_edd/coronavirus-2019.htm





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